



Key Information Summary Sheet
MAHT Audit Services FY 2009 – FY 2011
Invitation for Bids No. 09-25-002

IFB Issue Date:	April 28, 2009
Procurement Officer:	Ann Goldman goldmana@mdhousing.org 410-514-7113 FAX: 410 987-4676
Submit Bids to:	Dept. of Housing and Community Development Attention: Ann Goldman 100 Community Place Crownsville, MD 21032-2023
Bids Due	May 27, 2009 at 2:00 p.m. local time 100 Community Place Crownsville, MD 21032-2023
Anticipated Contract Start:	June 30, 2009

Minority Business Enterprises and Small Businesses are encouraged to respond to this solicitation

Notice: Any prospective Bidder who received this document from a source other than the Issuing Office should immediately advise the Issuing Office of its name and mailing address, so that amendments to the IFB and other communications can be sent to them.

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SECTION 1 - GENERAL INFORMATION

1.1 Purpose

The Maryland Department of Housing and Community Development (DHCD) is seeking the services of an independent Certified Public Accounting firm with expertise in the field of governmental auditing to submit a bid to conduct an audit of the financial statements of the Maryland Affordable Housing Trust (MAHT).

Qualified Bidders should outline in detail their ability to serve as auditors to conduct an audit of the financial statements of the MAHT with the express purpose of rendering an opinion on the financial statements and issuing a report for fiscal years of 2009, 2010 and 2011.

1.2 Procurement Method

This Contract will be awarded in accordance with small procurement regulations under COMAR 21.05.07.

1.3 Multi Step Sealed Bidding

This solicitation follows the multi-step sealed bidding process, which is described in COMAR 21.05.02.17 as a two-phase process in which bidders submit unpriced technical offers or samples, or both, to be reviewed by the State and a second phase in which those bidders whose technical offers or samples, or both, have been found to be acceptable during the first phase have their price bids considered.

1.4 Questions

Questions will be accepted from prospective Bidders and should be submitted in a timely manner to the Procurement Officer only. E-mail submission of questions is preferable, but questions will also be accepted by phone, mail or facsimile to the Procurement Officer. The Procurement Officer will decide whether an answer can be given before the closing date, based on the availability of time to research and communicate an answer. Answers to all substantive questions that have not previously been answered, and are not clearly specific only to the requestor, will be distributed to all vendors who are known to have received a copy of this IFB.

1.5 Bid Submission Requirements, Deadline and Bid Opening

Submit an original and three (3) copies of the technical offer and other required documentation in a sealed envelope captioned "Technical Offer – MAHT Audit" and an original and three (3) copies of the price bid (Attachment C) in a separate envelope captioned "Price Bid – MAHT Audit" to the Issuing Office not later than the closing date and time noted on the Key Information Summary Sheet.

Allow sufficient mail and internal delivery time to ensure receipt of bids at the Issuing Office prior to the closing date and time. Bids submitted by e-mail or facsimile will not be accepted. No late bid or late request for bid modification or withdrawal will be considered. Requests for extensions of the closing date or time will not be granted.

Bids will be opened in accordance with the provisions of COMAR 21.05.02.11. Bids opened will not be returned.

1.6 Preparation of Bid Form

Do not alter or change any wording on any bid form. Bids that are obviously unbalanced, or that include alteration of forms, omissions, irregularities, and/or conditional bids may be deemed non-responsive and rejected. Bids shall be typewritten or written legibly in ink. All erasures, strike-throughs or other alterations shall be initialed in ink by the signer.

All bids shall be signed in ink as follows:

- Individual/Sole Proprietor – Sign with full name and address;
- Partnership – Partners shall sign with full names and business addresses;
- Limited Partnership – General partners shall sign with full names and business addresses;
- Corporation – An officer of the corporation shall sign with full name and title and shall include the name and address of the corporation; and
- LLC or LLP – The member of the LLC authorized to obligate the LLC or LLP shall sign with full name and business address.

1.7 Procurement Officer and Issuing Office

The sole point of contact at the State for purposes of this Invitation for Bids (IFB) is the Procurement Officer at the Issuing Office listed on the Key Information Summary Sheet.

1.8 Contract Manager

After contract award and throughout the course of the project, the Contract Manager listed below will schedule and review the Contractor's work and monitor the performance of the Contractor.

Ron Callison
Maryland Affordable Housing Trust
Department of Housing and Community Development
100 Community Place, Room 4.211
Crownsville, MD 21032
410-514-7567
Fax: 410-514-7291

1.9 Duration of Bid

Bids submitted in response to this IFB are irrevocable for 90 days following the bid opening date. The Procurement Officer may extend this period, with the Bidder's written consent.

1.10 Revisions to the IFB

If it becomes necessary to revise this IFB, amendments will be provided to all prospective Bidders that were sent this IFB or otherwise are known by the Procurement Officer to have obtained this IFB. Failure to acknowledge receipt does not relieve the Bidder from complying with all terms of any such amendment.

1.11 IFB Cancellation / Rejection

The State reserves the right to cancel this IFB at any time prior to contract award pursuant to COMAR 21.06.02.02. The State also reserves the right to accept or reject, in whole or in part, any and all bids received in response to this IFB, and to waive or permit cure of minor irregularities in any manner necessary to serve the best interests of the State of Maryland.

1.12 Conflicts of Interest

The Bidder shall consider and resolve any potential conflicts of interest which presently exist or which may arise if the Bidder were to provide services to DHCD.

1.13 Incurred Expenses

DHCD and the State are not responsible for any expenses that may be incurred by bidders in preparing and submitting bids in response to this IFB.

1.14 Contract Type

The contract awarded as a result of this IFB shall be a firm fixed-price contract as provided in COMAR 21.06.03.02

1.15 Parties to the Contract

The Contract entered into as a result of the response to this IFB shall be by and between the successful Bidder as Contractor and DHCD, and shall include the terms and conditions of Attachment A attached to this IFB and generally the provisions of this IFB. Any exceptions to this IFB or the terms and conditions of Attachment A may result in the rejection of the bid. Attachment A is provided for information and review only. **It is not to be submitted with the Bidder's response to this IFB.**

1.16 Work Products

All work products prepared under the terms of this contract are the property of the State, and shall be delivered to DHCD at the end of the contract in a form useable and acceptable to DHCD.

1.17 Minority Business Enterprises (MBEs)

Minority Business Enterprises (MBEs) are encouraged to respond to this solicitation. MBE vendors are encouraged to obtain MBE certification from the Maryland Department of Transportation, Office of Minority Business Enterprise. Direct all certification-related questions to:

Office of Minority Business Enterprise
Maryland Department of Transportation
P.O. Box 8755
BWI Airport, Maryland 21240-0755
(410) 859-7328
http://www.mdot.state.md.us/MBE_Program/

1.18 Small Businesses

Although this is not a Small Business Reserve procurement, small businesses are encouraged to respond to this solicitation and to register with the Maryland Department of General Services for the Maryland Small Business Reserve Program through a self-certification process at <https://www.smallbusinessreserve.maryland.gov/registration/>.

A Small Business is not the same as a Minority Business Enterprise, but a business can be both if it has been certified by the Maryland Department of General Services as a Small Business and has been certified by the Maryland Department of Transportation Minority Business Enterprise Program as a Minority Business Enterprise.

SECTION 2 – MINIMUM QUALIFICATIONS

2.1 Independence

The Offeror shall be independent of the Maryland Department of Housing and Community Development as defined by the U.S. General Accounting Office's Government Auditing Standards (1994).

2.2 Professional Requirement

The firm and all assigned key professional personnel shall be licensed Certified Public Accountants in the State of Maryland. It is preferred that the firm be a member of the American Institute of Certified Public Accountants.

2.3 Prior Experience

The firm must have at least five (5) years of relevant significant governmental auditing experience. Additionally, the principal supervisory and management staff, including engagement partners, must each have at least five (5) years of significant government auditing experience.

2.4 Key Personnel

The key personnel shall include engagement partners, principal supervisory staff, and management staff, all of whom must be licensed to practice as Certified Public Accountants (CPAs) in Maryland as well as meet the continuing professional education requirements of CPA's engaged in the practice of governmental auditing.

SECTION 3 – SCOPE OF SERVICES

3.1 Background Information

Created in 1992 by an Act of the Maryland General Assembly, MAHT is a public instrumentality of the State of Maryland that provides financing to enhance the availability of affordable housing in Maryland. MAHT operates under the policy direction of an eleven-member Board of Trustees appointed by the Governor and receives staff support from DHCD.

From its inception in 1992 through the end of fiscal year 2008, MAHT has received \$32,515,721 in revenue. The amount of revenue received each year depends upon interest earned on title trust monies and varies with conditions in the real estate market. Of the \$32.5 million received and an additional \$1 million in General Fund Appropriation, over \$29.8 million has been awarded with the balance being available for future rounds. As of June 2008, awards totaling \$29,882,703 have been made to public agencies and non-profit and for-profit housing providers. Individual MAHT grant awards generally do not exceed \$150,000. MAHT can provide loans, grants, loan guarantees or other financial assistance. MAHT prefers that its funds be used as leverage of other public or private funds to provide the final piece in a financing package.

MAHT projects benefit households with incomes less than 50 percent of the median area income. Preference is given to projects that serve households with incomes below 30 percent of the median. The MAHT Board has also established a preference for projects serving families with children and single room occupancies.

MAHT funding may be used for:

- Acquisition, construction, rehabilitation or preservation of affordable housing.
- Project-specific capacity building for non-profit groups;
- Project-specific operating expenses of housing developments that promote affordable housing;
- Housing developments that provide both housing and self-sufficiency assistance (i.e., resident support services).

MAHT grant awards are generally drawn down on a quarterly schedule specified in the grant agreement. Grant agreements typically have a twelve (12) month term, however, draw schedules and length of agreements may vary.

3.2 Scope of Audit and Work Effort

During the term of the contract, the Contractor shall:

- A. Conduct an examination of the financial statements of MAHT sufficient in scope to allow the Contractor to express its opinion that the financial statements are in accordance with Generally Accepted Accounting Principles, consistently applied, and present fairly the financial position of MAHT for the fiscal years ending June 30, 2009 through June 30, 2011 and the results of operations and cash flows for the years then ended as required by Generally Accepted Auditing Standards.
- B. Prepare the Independent Auditor's report on Compliance and on Internal Control Over Financial Reporting based on an audit of the financial statements performed in accordance with Government Auditing Standards.
- C. Conduct an "Entrance Conference" within ten (10) working days of notification by CDA and/or MHF, but no later than June 30 of each audit period with representatives of CDA and/or MHF to discuss the current year engagement.
- D. Complete the examination of the books and records of the MAHT and issue audit report within one hundred twenty (120) days of the end of each fiscal year.
- E. Participate in regularly scheduled interim progress meetings during the course of the annual audit review as scheduled by DHCD.
- F. Assign a lead auditor possessing the minimum qualifications required under Sections 2.2 and 2.3 of this IFB to guide the work of any review team assigned. The lead auditor shall be on-site at DHCD with the review team at all times.
- G. Hold an exit conference with representatives of DHCD to discuss the statements and reports and obtain DHCD's comments.
- H. Provide MAHT and DHCD management with written comments on MAHT's system of internal accounting and administrative controls ("Management Letter") for each year audited.

- I. Transmit ten (10) copies of the “Audited Financial Statement”, and ten (10) copies of the Management Letter to the Director of Finance and Administration DHCD upon completion of the annual audit.

SECTION 4 – TECHNICAL OFFER AND PRICE BID CONTENT

4.1 Format

All technical offers shall be prepared with a straightforward, concise delineation of the Bidder’s capabilities to satisfy the requirements of this IFB. Bidders are requested to write their technical proposals so that responses correspond to and are identified with the specific subsections of the IFB. When a degree of expertise is requested, please include a resume of any individual mentioned.

4.2 Length of Technical Offer

Technical offer submitted in response to the IFB may not exceed fifteen (15) pages, excluding exhibits and resumes.

4.3 Technical Offer Content

Technical proposals submitted in response to this IFB shall contain the following information:

- A. Transmittal Letter - A transmittal letter on the Bidder’s stationery, signed by an individual who is authorized to bind the company to all statements in the proposal and the services and requirements as stated in the IFB.

If any addendum or amendments have been issued to this IFB, the Bidder shall acknowledge same in the transmittal letter. Also, any exceptions to this IFB or the terms and conditions outlined in Attachment A must be clearly identified in the transmittal letter.

- B. Bidder’s Technical Qualifications - This section shall describe the Bidder’s qualifications, including a brief resume of the Bidder, and provide the following information:
 - 1. Evidence that the Bidder meets the minimum qualifications described under Section 2.
 - 2. Description of general background of the Bidder, its principal(s) and staff members expected to be assigned to the audit team
 - 3. Industry experience, including representative client listing;
 - 4. At least three (3) references from current clients; and
 - 5. Identification of key personnel to be assigned to the contract, including:

- a. A resume for each individual identified, as well as a copy of their current CPA license;
 - b. Which individual(s) will perform work on a day-to-day basis, including an indication of the percentage of the contract each person will be expected to perform.
 - c. The division of responsibility among these individuals, their availability to perform contract services during the term of the contract, and the percentage of time that each will allocate to the project
 - d. Resumes of other personnel available to perform the services described in Section 3 of the IFB if a member of the specific team were unavailable, and the location of such personnel.
6. Bidder's approach and understanding of the audit assignment, including:
 - a. Organization of audit team and approximate number of hours and percentage of time spent on MAHT Financial Statement Audit and Management Letter;
 - b. Typical assistance and cooperation expected from DHCD staff; and
 - c. Tentative schedule for completing audit within specified deadlines of the IFB.
- C. Completed Attachment B, Personnel Assignment Chart, which provides an estimate of time for personnel assigned to the projects described under the Section 3.2– Scope of Audit and Work Effort.

4.3 Price Bid Content

The Bidder shall submit fixed hourly rates of compensation by professional and paraprofessional categories, for the services to be performed under Section 3.2 for each audit, together with an upset price representing a maximum amount payable for all services to be rendered under the Contract. A separate price bid for each audit report shall be prepared on the attached Exhibit C to this IFB, which shall be signed by an official authorized to bind the bidder.

SECTION 5 – BID EVALUATION AND CONTRACT AWARD

5.1 Qualifying Bids

The Procurement Officer will review each bid for compliance with the requirements of this IFB. Failure to comply with any requirements will normally disqualify a bid; however, the State may waive minor irregularities when it is in the State's best interest to do so, pursuant to COMAR 21.06.02.04.

DHCD reserves and assigns to the Procurement Officer the right to determine which Bidders have met the minimum qualifications listed in Section 2. The Procurement Officer reserves the

right to reject in whole or in part any and all bids received as a result of this IFB. Bidders whose proposals are not accepted will be notified in writing.

5.2 Evaluation Committee and Evaluation Criteria

The Procurement Officer shall establish an Evaluation Committee that will assess the technical offer based on the Bidder's approach and understanding of the scope of work.

5.3 Technical Proposal Acceptance

To be acceptable, a Bidder shall meet all minimum qualifications and be classified initially as being reasonably susceptible for selection for award by the evaluation committee.

After technical offers are evaluated, the price bids will be publicly opened. At least 24 hours prior to the bid opening, the Procurement Officer will notify by telephone or email all qualified Bidders determined to be acceptable, and will provide the location and time of the public bid opening.

The Procurement Officer will notify in writing those Bidders whose technical offers were determined to be "unacceptable," and will return the price bids to the Bidders unopened.

5.4 Price Evaluation and Award

DHCD will award a contract to the responsible Bidder with an acceptable technical offer and the lowest bid price.

End